

HOUSING & COMMUNITY DEVELOPMENT COMMITTEE
5th Floor Conference Room, City Hall
October 9, 2006
3:00 p.m.

Committee Members present: Holly Jones(Chair), Brownie Newman, Robin Cape

Staff: Jeff Richardson, Charlotte Caplan, Adria Hardy, Kathy Ivey

I. Open Meeting & Approve Minutes

Chair Holly Jones opened the meeting at 3:00 PM. The minutes for the August 14 meeting were approved.

II. CDBG funding for Pisgah View Community Services Center

Charlotte Caplan and David Nash, Deputy Director of the Housing Authority, presented a request from the Housing Authority for a \$160,000 grant to convert unused apartments at Pisgah View into a Community Services Center. This project would materially support the City's Weed and Seed program. The funding would come out of a balance of \$251,000 unallocated CDBG program income. Committee members expressed some concern about the size of the grant compared with other CDBG allocations, and the need to address Weed and Seed program strategies in the Burton Street area as well as Pisgah View. After further discussion the proposal was unanimously approved for consideration by Council.

III. Housing Trust Fund Loan – Shelter Development)

Adria Hardy presented a request from Shelter Development LLC for a \$500,000 HTF loan for a revised project to develop 63 rental units for seniors on Springside Road. The original project, approved for a \$300,000 HTF loan earlier this year, had failed to attract Low Income Housing Tax Credits and the loan commitment had been withdrawn. Barbara Dorsey spoke for the developer and explained that with design revisions and increased local funding the project has a better chance of winning an LIHTC award in 2007. After asking questions about the project schedule, the amount of funds available, and accessibility to public transit, the Committee unanimously agreed to recommend Council approval.

IV. Impending Foreclosures

Adria Hardy informed the Committee about three, unrelated, impending foreclosures that put City CDBG and HTF loans at risk, and explained staff's strategies for protecting the City's funds in each case. The Committee approved the use of up to \$50,000 in CDBG contingency funds to buy the property at 7 Wyatt Street at the foreclosure sale if other bids were insufficient to repay the City's loan.

V. Public Comment/Other Business

The Committee had an extended discussion in response to questions about the future of the Housing Trust Fund, in particular the price limits on homes built for sale.

VI. Future Agenda Items

The next meeting will take place on November 13, 2006. The tentative agenda will include a draft Housing Strategy for Asheville and a proposal from staff to designate the West Riverside Weed & Seed area as a CDBG "Neighborhood Revitalization Strategy Area"

The meeting was adjourned at 5:10 PM